

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:924
ANSWERED ON:29.04.2016
Tax on Cement
Ram Shri Vishnu Dayal

Will the Minister of FINANCE be pleased to state:

- (a) the rates of duty applicable and amount of revenue realized against each item of construction material during each of the last three years, State/UT/zone/ commissionerate-wise;
- (b) whether the Government has received representation in the matter and if so, the details thereof; and
- (c) the response of the Government thereto?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI JAYANT SINHA)

- (a): The general Customs and excise duty rates applicable in case of certain goods used in construction are as under:

Goods Customs duty rates Central Excise duty rates
Cement (2523) Nil Bulk Cement - 12.5%
Packaged Cement -12.5% + Rs.125 PMT
Iron and Steel
(Chapter 72) 10% 12.5%
Natural Sands (2505) Silica Sands - 2.5%
Other than Silica Sands – 10% Nil

The All India Customs and Central Excise revenue from Cement, Iron and Steel and Natural Sands for F.Y.2013-14, F.Y.2014-15 and F.Y.2015-16 is as under:

Customs Revenue
All figures in Rs. Crore
Goods F.Y.2013-14 F.Y.2014-15 F.Y.2015-16
Cement (2523) 22 39 91
Iron and Steel
(Chapter 72) 8,205 11,190 12,517
Natural Sands (2505) 3 3 3

Central Excise Revenue
All figures in Rs. Crore
Goods F.Y.2013-14 F.Y.2014-15 F.Y.2015-16
Cement (2523) 9,600 9,579 10,386
Iron and Steel
(Chapter 72) 13,691 13,683 13,789

State/UT-wise information of Customs and Central Excise revenue from goods is not maintained. The Zone and Commissionerate wise details of revenue from the aforesaid goods is attached as Annexure A and Annexure B. Further, these revenue figures are on account of import or clearance of these goods for all purposes including construction.

(b)&(c): Representations are received especially during the Budget exercise for change in Customs and Central Excise duty structure related to various sectors, including construction sector, which are examined as part of the Budget discussions and the decisions taken for any change in duty rates were announced by the Hon'ble Finance Minister in the Budget speech.
